

AN ORDINANCE**AN ORDINANCE ESTABLISHING THE CITY'S CONTRIBUTION RATE FOR RETIREE HEALTH BENEFITS EFFECTIVE THE NEW BENEFIT PLAN YEAR - SEPTEMBER 1, 2008; AND FOR OTHER PURPOSES.**

WHEREAS, the City of Atlanta, like other jurisdictions, is challenged by the escalating cost of healthcare and federal mandates to fund retiree benefits; and

WHEREAS, the City offers benefits to eligible active employees, retirees, their spouses and dependents which include Medical, Dental, Vision and Life insurance; and

WHEREAS, the City contribution rate for retiree insurance benefits has been the same as the rate provided to active employees; and

WHEREAS, a lower contribution rate will enable the City to continue benefits to both active employees and retirees while mitigating the City's increasing healthcare cost; and

WHEREAS, the City intends to mandate Medicare for eligible retirees, their spouses and dependents to further the strategy for cost containment.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA, as follows:

SECTION 1: Effective September 1, 2008, the City will require Medicare eligible retirees, their spouses and dependents to obtain both Part A and B of Medicare at the time of eligibility in order to receive City of Atlanta retiree benefits. Medicare eligible retirees will be offered a group Medicare Advantage Plan or similar benefits plan. Employees hired before April 1, 1986 who are not Medicare eligible will receive the same benefit contribution rate as active employees.

SECTION 2: Effective September 1, 2008, the City of Atlanta contribution rate for retiree health insurance will be as follows:

Retirement on or before August 31, 2009	City Contribution - 70%
Retirement on or before August 31, 2010	City Contribution - 60%
Retirement after August 31, 2010	City Contribution - 50%

At no time should the City contribution rate for retiree health insurance exceed the contribution rate for active employees. In such instance, the contribution rate defaults to the same rate as active employees.

SECTION 3: The City of Atlanta will continue to make the same contribution for retiree dental insurance that is made for active employees.

SECTION 4: That all ordinances and parts of ordinances in conflict herewith be and the same are hereby waived.